

Legislative Commission on Pensions and Retirement

55 State Office Building

100 Rev. Dr. Martin Luther King Jr. Blvd.

St. Paul, MN 55155-1201

SENATE MEMBERS

Senator Julie A. Rosen, Chair
Senator Sandra L. Pappas, Secretary
Senator Gary H. Dahms
Senator John R. Jasinski
Senator Warren Limmer
Senator David H. Senjem

HOUSE MEMBERS

Representative Tim O'Driscoll, Vice Chair
Representative Tony Albright
Representative Sarah Anderson
Representative Mary Murphy
Representative Roz Peterson
Representative Paul Thissen
Representative Bob Vogel

COMMISSION STAFF

Susan Lenczewski, Executive Director
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January 12, 2018

Room G-15 Capitol

MINUTES

Call to order:

Senator Julie A. Rosen, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 9:05 a.m.

Commission Members Present:

Representatives Albright, Anderson, Murphy, O'Driscoll, Thissen, and Vogel
Senators Dahms, Jasinski, Limmer, Pappas, and Rosen

Commission Members Absent:

Representative Peterson and Senator Senjem

Agenda Items

Approval of September 20, 2017, meeting minutes.

Rep. O'Driscoll moved approval of the September 20, 2017, meeting minutes. **MOTION PREVAILED.**

Report by MMB Commissioner Myron Frans.

- November budget forecast
- Impact of pensions on the state's credit rating
- Update on the Governor's recommendations regarding pensions for the 2018 Legislative Session

Myron Frans, Commissioner, Minnesota Management and Budget, reviewed his presentation materials.

Britta Reitan, Executive Budget Coordinator, Minnesota Management and Budget, reviewed deferred annuities augmentation.

Susan Lenczewski, Executive Director, Legislative Commission on Pensions and Retirement, responded to Rep. Anderson's question regarding augmentation that because no other state has augmentation except South Dakota, it is hard to say whether other states lose employees.

Paul Moore, Executive Budget Officer, Minnesota Management and Budget, testified that investment return assumption should be reduced to 7.5%.

Non-Agenda Items

Ms. Lenczewski reviewed the benefit reform, contribution increase, and state aid provisions that were contained in three 2017 omnibus pension bills – provisions as passed by the LCPR, provisions as passed by the Senate, and the vetoed Special Session bill.

Sen. Pappas distributed to members materials entitled “*Understanding Public Pensions, a Guide for Elected Officials*” from the Public Pensions & Retirement Security Policy Academy Conference.

Agenda Items, continued

Minnesota State Retirement System 2018 legislative proposal.

Erin Leonard, Executive Director, MSRS, reviewed the MSRS presentation.

Public Employees Retirement Association 2018 legislative proposal.

Doug Anderson, Executive Director, PERA, reviewed the PERA presentation.

Teachers Retirement Association 2018 legislative proposal.

Jay Stoffel, Executive Director, TRA, reviewed the TRA presentation.

St. Paul Teachers Retirement Fund Association 2018 legislative proposal.

Jill Schurtz, Executive Director, SPTRFA, reviewed the SPTRFA presentation.

Adjournment

The meeting adjourned at 11:15 a.m.